

VIA AIR

DATE \_\_\_\_\_

TO : Chief of Class A Stations and Bases

FROM : Finance Division

SUBJECT: General - Administrative CONFIDENTIAL  
Specific - Payrolling of WAE Contract Employees at Class "A"  
Field Stations which are Under Official Cover

REFERENCE: Subject dispatch dated 16 March 1956

ACTION REQUIRED: Retention of Employee's Contract Folder and Pay Record  
of Salary Earned Pending Field Audit

1. The Office of Audit has recommended that WAE Employee's Contract Folder and Pay Record of Salary Earned be retained by the field station, pending completion of periodic field audits. Consistent with the above, instead of forwarding such documents to Headquarters immediately upon termination of an employee's services, as indicated in paragraph III K of the above referenced dispatch, it is requested that the field station retain the contract folder and earnings record until completion of the field audit covering the period in which the employee(s) terminated. After such audits are performed the complete records shall be forwarded to Headquarters via separate dispatch so that Headquarters will be in a position to make certification, upon proper request, regarding time worked for KUBARK by such employees. Payroll records should be completely closed by the losing station and are not to be transferred to another station, irrespective of area. Copies of the employee's current calendar year earning records may, however, be made available to the employee in cases where further KUBARK employment is expected at Headquarters or another field station, for purposes of controlling salaries earned subject to FICA tax deductions. Such employees who may transfer to another station and obtain similar work as a WAE Contract Employee will be requested to enter into another contract at the new station. The acquiring station will establish new pay records, utilizing the earnings information appearing on the employee's copies of the W-2's for purposes of controlling FICA tax deductions applicable to earnings not to exceed \$4,200.

25X1

2. The above procedure is to be effected immediately.